

# report



meeting	<b>Cabinet</b>	
date	10 January 2007	<b>agenda item number</b>

## REPORT OF THE DEPUTY LEADER

### Property decision to lease the Dakota Building, Space 27, Sherwood Business Park, Annesley and Latest Estimated Cost

#### Purpose of Report

- 1 This report requests that -
  - 1.1 Cabinet approve a 10 year lease for the Dakota building, Space 27 Sherwood Business Park to accommodate –
    - NOTTS Connect - Contact Centre
    - Decriminalisation of car parking fines ticket processing centre.
  - 1.2 Cabinet note the latest estimated cost for the NOTTS Connect project and approve an amendment to the capital programme to secure funding for the fit out of the Dakota building, Space 27.

#### **2 Background**

- 2.1 This item is an executive key decision as the decision involves costs of £1million, is a major change in service delivery and as such was attached to the current Forward Plan on 15 December 2006 and published shortly thereafter.

#### **2.2 NOTTS Connect**

- 2.2.1 The concept of a contact centre for the Authority has been the subject of discussions, pilot work and preparations over the last few years. The commitment by the Council to its delivery was originally approved by Cabinet (21 July 2004) and full Council (via the budget process 24 February 2005), and the objective of improving customer access has been strongly endorsed by external inspection organisations.

2.2.2 The pilot contact centre, based in Chadburn House, Mansfield, has grown steadily since its launch in August 2003 and is now providing a single point of telephone access to over 146 of the Council's 330 services.

2.2.3 The Contact Centre is a key priority within the Strategic Plan 2006-2010 to ensure that the Council delivers "All Together Better". The NOTTS Connect Project is the County Council's major programme to improve telephony access and make a significant contribution towards delivering the Council's vision of 'putting the customer at the heart of everything we do' and 'delivering high quality, affordable services'.

### **2.3 Decriminalisation of car parking fines**

2.3.1 The concept of civil parking enforcement resulted from a Police taskforce report in the late 1980's. Following the report all London authorities were given 5 years to undertake civil parking enforcement under the Road Traffic Act 1991. Gradually the rest of the country has followed when the benefits of traffic management have materialised. Rural counties are now establishing civil parking enforcement operations and it is expected that national coverage will be achieved by 2011. The Traffic Management Act 2004 gives the Department for Transport the power to insist that Local Authorities undertake civil parking enforcement.

#### **2.3.2 Nottinghamshire timetable**

April 2004	Cabinet approved commencement of the Decriminalisation Parking Enforcement (DPE) Project with Traffic Regulation Order (TRO), (parking restrictions) review and district liaison
Sept – Dec 2004	Tender period for TRO review
Nov 2004 – Feb 2005	Report to District Committee. Approval in principle given by District Councils to work with NCC to introduce DPE
March 2005	TRO review commences
April 2005	NCC submits draft Special Parking Area application to Department for Transport (DfT). Large-scale consultation with all interested parties in and around Nottinghamshire
Oct – Jan 2006	Cabinet reports to respective Districts. All in favour of enforcement for the whole County by an external contractor procured by NCC and centralised ticket processing run by NCC.
July – Oct 2006	Development of specification for enforcement contract. Contract to be let after Partnership agreement signed.
Oct – Dec 2006	District member approval to sign Partnership agreement.
Jan 2007	NCC Cabinet approval sought to make formal application to DfT.
Jan – April 2007	Accommodation and staff finalised for Central Processing Unit.
April – Oct 2007	Public consultation and staff recruitment.

- 2.3.3 Telephony aspects of the parking enforcement service will be undertaken by NOTTS Connect. The other aspects of administrating the car parking enforcement service will be undertaken by the ticket processing centre which will be accommodated with the CPE Finance Manager within the Dakota Building, Space 27.

### **3 Property**

- 3.1 Cabinet approval to the development of an 80 seat Contact Centre as part of the Access to Services Review was approved by Cabinet on 27 April 2005. At the same time development work has also been carried out with Central Government and the Districts to provide a 20-seat service for the Decriminalisation of Car Parking. The intention was to operate both services on one floor in the new Ashfield Area Office and space planning proceeded on this basis.
- 3.2 During the development work on the property layouts, the Council was successful in bidding to implement and deliver the 101 Non Emergency Number Service for Nottinghamshire which was to be co-located with the other two services. This additional capacity could not realistically be accommodated within the Area Office both in terms of impact on other space users and the timescale by which the 101 Service was expected to be operational. Consequently it was agreed to investigate alternative properties which could accommodate the combined service, and a lease of 19,000 sq ft of office accommodation in Space 27 at Sherwood Business Park was provisionally secured. The space reserved in the Ashfield Area Office for Notts Connect was re-planned to accommodate other County Council users, as part of the area office strategy.
- 3.3 A report was submitted to the Corporate Asset Management Group in July 2006 and the alternative accommodation options were reviewed by the Members Property Reference Group. This report covered Ashfield Area Office and the larger unit at Space 27 which was originally anticipated to accommodate the Home Office 101 Service. Unfortunately, the Home Office has now withdrawn the proposals and supporting financial assistance for Wave 2 of the 101 Service. As a result of this decision the options to meet the needs of the Contact Centre and Decriminalisation of Car Parking have been reviewed and are set out together with the risks and benefits of each, within the Appendix A, please note that Appendix A is in the exempt part of the agenda.
- 3.5 Space planning and fit out requirements have been assessed to enable the property fit out and operational costs to be produced. All costs will be

shared on a pro rata basis between the Contact Centre and Decriminalisation of Car Parking.

- 3.6 As identified in the September Cabinet Report additional capital funding is required for the fit out of Space 27. The decriminalisation of car parking fines will also contribute to the fit out costs of Space 27 and will be charged rent and running costs pro rata to their occupation.
- 3.7 Negotiations have taken place with the Agent for the Dakota Building, Space 27, Sherwood Business Park, Annesley on the basis that the County Council is to take a lease of the building subject to the terms set out in the exempt report attached to this report.
- 3.8 A staff transport plan will be developed and the project will be working with E-On (PowerGen) to discuss a number of shared transport options. The Sherwood Business Park site is accessible by a variety of modes of transport -
  - **Road** - The Dakota Building is less than a mile from J27 M1, with direct access from Mansfield, Nottingham and Derby
  - **Bus** – Blackcat Service (from Mansfield to Derby – this travels directly through Sherwood Business Park.  
3b Service (from Mansfield to Nottingham) – this stops at the junction of the A608 and A611.
  - **Rail** – Approximately 2.5 miles from Newstead Station, 3 – 4 miles from Kirkby in Ashfield with a direct bus link to Sherwood Business Park
  - **Tram** – terminal at Hucknall
  - **Cycle** – National Cycle Route 6

## 4 Financial Implications

### 4.1 Space Planning and Fit out Costs

Space plans for the Dakota Building were approved by the NOTTS Connect project to allow estimated fit out costs to be produced. Due to the Christmas and New Year break it has not been possible to review the mechanical, electrical and other fit out costs and therefore this report contains the “top level” costs for fit out. The project will be working with the building contractor to review the fit out costs and believe that there is potential to negotiate the costs down.

### 4.2 NOTTS Connect

The NOTTS Connect project will be financed via the medium term financial strategy, i.e. top slicing of departmental budgets, from April 2007

at an additional allocation of £1m. There is the potential for additional funding to be obtained from externally funded services, for example, District Councils.

#### 4.3 Decriminalisation of Car Parking Fines

The decriminalisation of car parking fines will contribute up to £172,000 to the fit out of Space 27 and will also pay rental and running costs for Space 27. This service will be financed by the receipt of fines and it is intended that this service will be self financing by Autumn 2010.

#### 4.4 Capital and Revenue implications

The capital and revenue implications of the decision to locate the Contact Centre and the decriminalisation of parking service at the Dakota Building, Space 27, Sherwood Business Park, Annesley are shown in appendices B & C, please note that appendix C is in the exempt part of the agenda.

#### 5. Statutory and Policy Implications

This report has been compiled after consideration of implications in respect of finance, equal opportunities, personnel, Crime and Disorder and those using the service. Where such implications are material they have been described in the text of the report.

#### 6. Head of Legal Services' comments (SSR 2/01/07)

These decisions fall within the delegation to Cabinet.

## 7. Strategic Director (Resources) financial implications (NS 27/12/06)

### Capital

Capital allocation already exists for the delivery of the service element of the Notts Connect programme (e.g. ICT requirements). Additional capital allocation of £634,000 will be required to complete the fit-out of the building. Capital funding already exists in the capital programme to cover the decriminalisation of parking service's share of the fit-out costs. The service element of the decriminalisation of parking service is not included in this report.

Profile of capital expenditure and funding is as follows:

	2005/06 £000	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000	Total £000
Building Works		54	715	37			806
Non-Building Works	45	1,150	1,463	809	256	103	3,826
Total Expenditure	45	1,204	2,178	846	256	103	4,632
Existing capital allocations	45	2,082	868	507	496		3,998
Variation to capital programme	0	-878	1,310	339	-240	103	634

### Revenue

The figures in Appendix C (shown in the exempt section of this agenda) does not include the service costs for the decriminalisation of parking service since these have yet to be finalised. It is anticipated that the decriminalisation of parking service will be self-financing. Hence, the figures in Appendix C only show the property costs and their share of the main telephony services to the building that have been agreed with this service.

Additional base budget finance of £1m has been identified for the delivery of the Notts Connect Contact Centre in 2007/08. The anticipated additional budget requirement of £1.2m identified in 2008/09 relates to the Contact Centre service and is a temporary requirement. It is anticipated that initial implementation costs for this project will fall out by 2009/10, e.g. project team and back-fill arrangements. This will depend on the successful transfer of County Council services to the Contact Centre. The additional funding required for the Notts Connect programme will have to be taken into account in compiling the County Council's budget for 2008/09 and future years.

10 year profile of revenue expenditure is as follows:

	2006/07 £000	2007/08 £000	2008/09 £000	2009/10 £000	2010/11 £000	2011/16 £000	Total £000
Building Costs	63	225	189	236	375	1,875	2,963
Service Costs (CC)	862	2,462	3,420	2,974	2,922	14,360	27,000
Total Costs	925	2,687	3,609	3,210	3,297	16,235	29,963
Funding: Notts Connect (CC)	925	2,646	2,359	2,359	2,359	11,795	22,443
Decrim. Service		41	41	51	81	406	620
Total Funding	925	2,687	2,400	2,410	2,440	12,201	23,063
Additional Funding Requirement (CC)	0	0	1,209	800	857	4,034	6,900

## 8. **Recommendations**

- 8.1 That Cabinet approve the acquisition of a 10 year lease of the Dakota Building, Space 27, Sherwood Business Park, Annesley.
- 8.2 That Cabinet note the latest estimated cost for NOTTS Connect and approve the amendment to the capital programme to provide funding for the fit out of Space 27 for NOTTS Connect.

**CLlr Mick Storey**  
**Deputy Leader**

### **Background papers available for inspection**

Dakota building, Space 27 – layout designs

### **Electoral Divisions Affected**

All

### **Appendices**

Appendix B – Capital Requirements – December 2006